



Idaho

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*Unemployment  
Insurance Tax  
Information*

2003

*DIRK KEMPTHORNE, GOVERNOR*

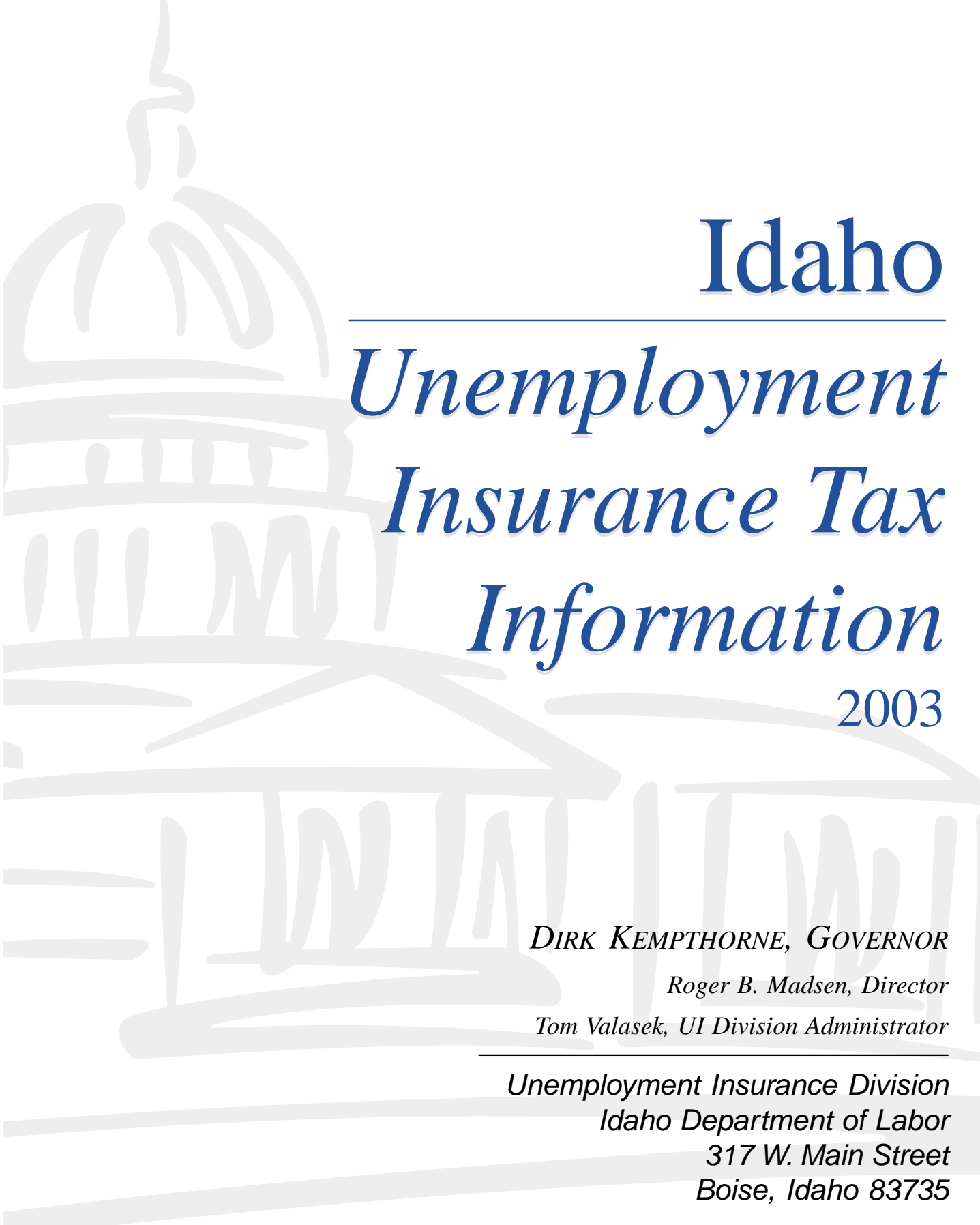
*Roger B. Madsen, Director*

*Tom Valasek, UI Division Administrator*

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*Unemployment Insurance Division  
Idaho Department of Labor  
317 W. Main Street  
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## Disclaimer

This handbook provides general information about the Employment Security Law. It is for informational purposes only and is not a substitute for the law, which may be found at Title 72, Chapter 13, Idaho Code. A complete set of rules that have been promulgated pursuant to the Employment Security Law is maintained at the Idaho State Law Library and such other libraries as required by Idaho Code §67-5205. The rules may be purchased from the Administrative Rules Division of the Idaho Department of Administration.

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## Commonly Asked Questions

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## ***Important Facts about Unemployment Insurance***

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Most employers must provide their employees with Unemployment Insurance coverage, an employer-paid insurance that protects employees against complete loss of income during periods of involuntary unemployment. To determine if you must provide Unemployment Insurance coverage for your employees, review pages 4 through 9 or contact your Tax Representative listed on page 29 for assistance. If you meet coverage criteria, register with the Idaho Department of Labor by completing form **IBR-1** to obtain coverage.

To be monetarily eligible for Unemployment Insurance benefits, a claimant must have earned: (1) at least \$1,326.00 in one of the quarters in the base period (this figure may change year to year) and (2) the **total** wages for all four quarters must be at least 25 percent more than the quarter in the base period with the highest wages. The **base period** is defined as the first (oldest) four of the last five completed calendar quarters. The only exception is in cases of disabled workers. (See Idaho Code §72-1306 [2].)

If monetarily eligible, a claimant must also meet personal eligibility requirements before being entitled to Unemployment Insurance benefits. The primary personal eligibility requirements are as follows: (1) unemployed through no fault of the claimant's own, (2) able to work, (3) available for suitable work, and (4) actively seeking work. (See Idaho Code §72-1366.)

When an individual files a claim for Unemployment Insurance, the Idaho Department of Labor sends the claimant's last employer an **Employee Separation Statement**. This statement notifies the employer a claim has been filed and lists the reason(s) the employee has given for not working. Because benefits paid to claimants are charged against employers' accounts, it is important for employers to respond to separation statements to ensure charges are not paid unjustifiably or charged to the wrong employer's account. (See Idaho Code §72-1368(2)[b].)

References to the applicable provisions of Idaho's Employment Security Law are noted throughout this handbook.

## ***Primary Required Reports***

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Reporting requirements vary from agency to agency. Each agency should be contacted for information or guidelines on how to comply with the various agency requirements. (See page 27 for a list of other agencies employers should contact.)

### ***Idaho Business Registration Form (IBR-1 Form)***

All new businesses and domestic employers must submit a completed **IBR-1** form (all three copies) to the Idaho State Tax Commission or the Idaho Department of Labor. Information on the form is used to determine reporting requirements for the various taxes in Idaho, including Unemployment Insurance. The owner and spouse of a sole proprietor, a corporate officer, or an agent partner or agent member must sign the form. An **IBR-1** form must be submitted even if employees have not been hired yet.

### ***Quarterly Payroll Reports***

Once registered for Unemployment Insurance coverage, an employer must report and pay quarterly. Reports and payments are due the last day of the months of April, July, October, and January for the quarter ending the previous month. The Idaho Department of Labor mails report forms to all known covered employers during the last week of each quarter. (See Idaho Code §72-1311.) The employer is not, however, relieved of the responsibility of filing the reports if the forms do not arrive by mail. Quarterly

reports must be filed even if no wages were paid in the quarter. Report forms may be obtained by contacting the nearest Idaho Department of Labor Tax Representative (see page 29) or by writing to the Idaho Department of Labor, Accounting Bureau, 317 W. Main Street, Boise, Idaho 83735-0610.

Employers should make no adjustments for prior quarters on the current report. Prior quarter adjustments may be made on photocopies of the original report or by using the **Amended Report** form (see page 28), which can be obtained by calling your local Tax Representative (see page 29).

If an employer finds errors in reports for previous quarters and adjustments are necessary, the employer must submit a detailed explanation for such adjustments. This explanation should include the names, social security numbers, amounts reported, corrected amounts, and the difference by quarter for each employee affected. An adjustment may reflect either an underpayment or overpayment of taxes. If additional taxes are due because of an underpayment, remittance plus the form for the quarterly due date must be included. If the employer finds the error and reports it in a timely manner to the Department with payment, the penalty may be waived. If a credit results from an overpayment, the Department can issue a refund check or apply the credit to subsequent reports.

### ***Changes in Business Status***

The box in the upper right corner of the quarterly report form should be used to report any change in address, change in phone number, change in ownership, addition or deletion of a partner, incorporation, change in corporate officers, or business closure. Failure to notify the Idaho Department of Labor of a change in ownership may result in the loss of a reduced rate.

### ***New Hire Reporting***

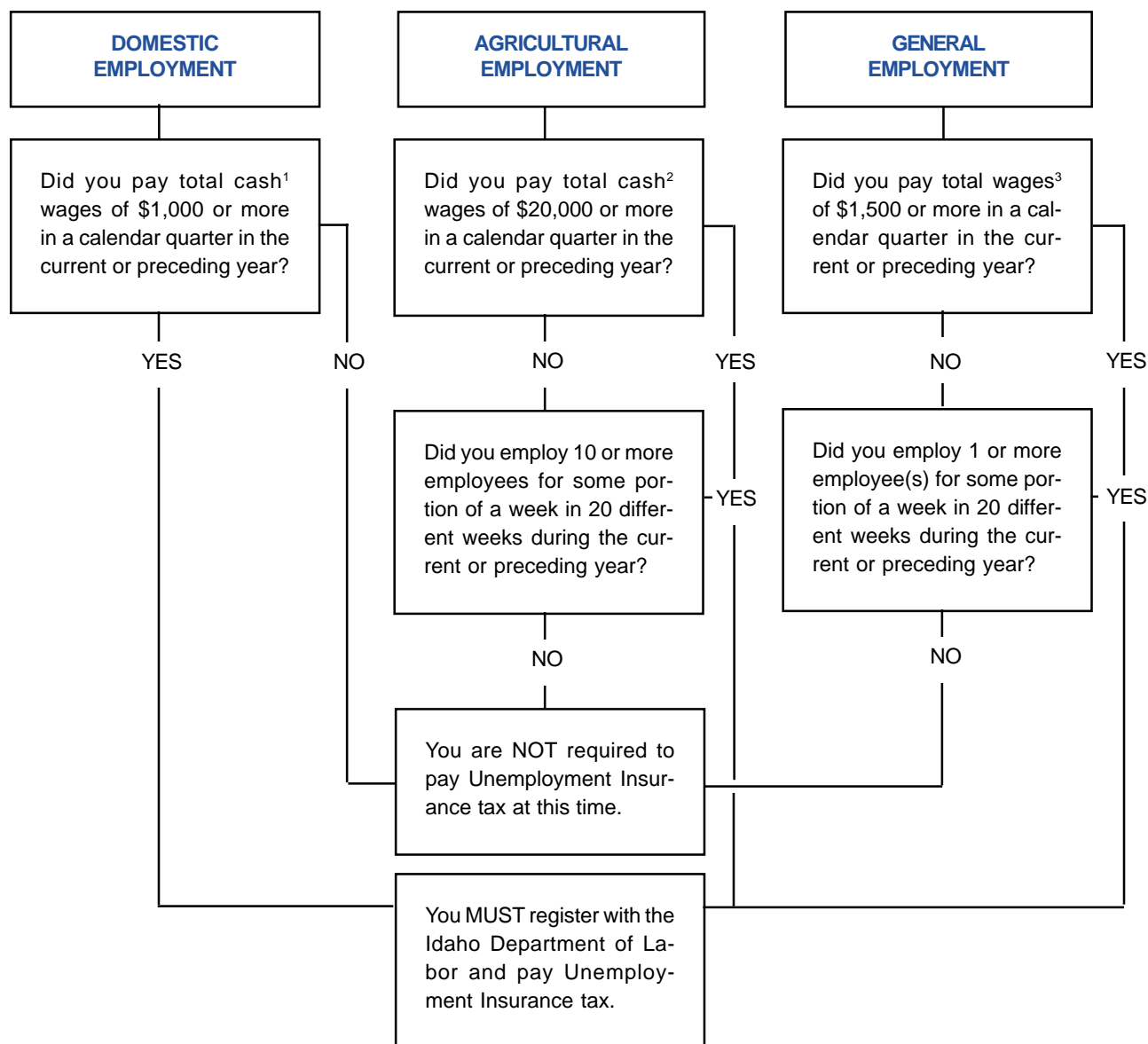
All employers must report newly hired employees to the Idaho Department of Labor within 20 days of the date of hire. This information is mandated by the Welfare Reform Legislation of 1996 and is used to locate parents who are delinquent in making child support payments. This information is also used to identify possible fraudulent activity in state welfare and workers' compensation as well as in Unemployment Insurance claims. (See Idaho Code §72-1601 and §72-1607.)

Employers may report using either paper reports or magnetic media. The paper report must be a completed copy of the IRS form W-4 and must include the date of hire and the Idaho Unemployment Insurance Account Number. These reports may be faxed to (208) 332-7411 or mailed to the Idaho Department of Labor, New Hire Reporting, 317 W. Main Street, Boise, ID 83735-0610.

Multi-state employers have the option of reporting all new hires to a single state. To exercise this option, Federal law requires multi-state employers to designate one state (in which the employer has employees) for reporting new hires and to notify the U.S. Secretary of Health and Human Services in writing as to the employer's chosen state.

If you have questions concerning **New Hire Reporting** in Idaho, magnetic media reporting, or multi-state employer reporting, call (800) 627-3880.

## Who must pay Unemployment Insurance tax?



- (1) For Domestic Employment, only cash wages are used to determine coverage, HOWEVER, Unemployment Insurance tax must be paid on both cash and noncash wages.
- (2) For Agricultural Employment, Unemployment Insurance taxes are paid on cash and cash equivalent wages only. Include H2-A workers' wages to determine coverage, but do not pay Unemployment Insurance tax on their wages.
- (3) For General Employment, both cash and noncash wages are used to determine coverage and for computing Unemployment Insurance tax.

Note: Cash wages include cash, checks, money orders, etc.

## ***Employer Liability***

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An employer is any individual, partnership, corporation, limited liability company, association, trust, organization, or political subdivision which has one or more individuals performing services in Idaho. Idaho law requires anyone who pays for services, and who meets the employment coverage guidelines on pages 4 through 9, to file employment reports. It is the responsibility of the employer to notify the Idaho Department of Labor when the employer meets coverage criteria. (See Idaho Code §72-1325.) This includes notification of any change in ownership or legal entity.

If an employer is subject to the Federal Unemployment Tax Act (FUTA) on any services, the employer is automatically subject to Idaho Unemployment Insurance tax for such services. This includes services of employees in several states even though such employment in a single state might not be of a sufficient amount or duration to meet that state's coverage criteria. (See Idaho Code §72-1316 [2].)

Once an employer meets coverage criteria, all wages paid in that calendar year must be reported and Unemployment Insurance taxes must be paid. Reports must be filed for all subsequent quarters even if no wages were paid in those quarters until the Department inactivates the account. If you cease operations or believe you should no longer file reports, contact your local Tax Representative (see page 29). (See Idaho Code §72-1352.)

An employer is automatically covered and must report all wages in any amounts if he/she has taken over an existing business or acquired the assets of another who, at the time of acquisition, was a covered employer. Under these conditions, the successor employer must report wages even though the business may not meet coverage criteria after the change in ownership. (See Idaho Code §72-1351 [4].)

### ***Experience Rate or Cost Reimbursement***

Most employers are experience-rated employers (see page 21), which refers to the method used to assign a taxable wage rate to a covered employer. Under this method, all new experience-rated employers are assigned the standard rate for the current year. The standard rate will be assigned until the employer has paid taxes to the Employment Security fund for at least six calendar quarters prior to the yearly computation date of June 30. The employer will then be assigned a rate based on the employer's own experience record and its relationship to the experience record of all other covered employers registered with the Department. Another method of paying Unemployment Insurance tax is cost reimbursement, which is available to certain nonprofit organizations that qualify for exemption under the provisions of IRC 501(c)(3), and to all governmental entities including public school districts (see paragraph below). Under this method, employers reimburse the state for the actual cost of Unemployment Insurance benefits paid. A cost-reimbursement employer will be billed for his/her proportionate share of a claimant's benefits based on the percentage of wages paid in the base period. This applies regardless of the reason for the claimant's separation from the job.

Governmental units and nonprofit organizations, as defined in IRC 501(c)(3), may be covered employers and required to report wages for Idaho Unemployment Insurance purposes. These employers may be able to report either as regular experience-rated employers or as cost-reimbursement employers. Cost reimbursement employers have two options of reimbursing the state for benefits paid. The first option is to pay at a rate of 1% of gross wages each quarter. The account is reconciled at year-end, and is billed for any additional tax due or is refunded any excess. The second option is to report but pay no tax until the employer's account is charged.



The election to report as a cost-reimbursement employer must be made in writing by December 1 of any calendar year or within 30 days from when the employer is determined liable for UI tax. The election will remain in effect for at least two full calendar years. After the two years, a request to change an experience rated employer must be made in writing by December 1 of any calendar year. (See Idaho Code §72-1349A.)

## **EMPLOYER LIABILITY GUIDELINES**

Who must pay Unemployment Insurance taxes? Please refer to the explanation here and to the flowchart on page 3. To register with the Idaho Department of Labor and begin paying Unemployment Insurance tax, contact your local Tax Representative (see page 29) or call toll free 1-800-448-2977.

Coverage is determined separately for each type of employment (General, Agricultural, or Domestic). For example, you may not meet coverage requirements in Agricultural Employment, which means those wages are exempt, while at the same time wages in nonagricultural employment are covered for Unemployment Insurance tax purposes.

If you have more than one type of employment, but fail to distinguish in your records the wages paid in each type, you **MUST** apply the General Employment criteria in determining coverage and paying Unemployment Insurance tax.

In determining weeks worked, any part of a day during the week is counted and the weeks do not need to be consecutive.

### **General Employment**

Employers must report wages and pay Unemployment Insurance tax if, during the current or preceding calendar year, total wages of \$1,500 or more were paid in any calendar quarter or one or more individuals worked for some portion of a week in 20 different weeks of the calendar year. (See Idaho Code §72-1315.) (See footnote (3) on page 3.)

### **Agricultural Employment**

Agricultural Employment is generally defined as work performed on a farm in connection with producing farm commodities and preparing and delivering them to storage or to a primary wholesale market, or work performed in connection with the operation, management, conservation, improvement, or maintenance of a farm. Custom farming businesses may be required to use the General Employment coverage criteria to determine Unemployment Insurance coverage.

Agricultural employers are liable if, during the current or preceding calendar year, \$20,000 or more in cash and cash equivalent wages (cash, checks, money orders, commodity wages if the substance of the transaction is cash payment, etc.) were paid during a calendar quarter or if 10 or more individuals were employed for some portion of a week during 20 different weeks of the calendar year. Wages paid to members of an agricultural work crew must be reported unless the crew leader is registered by the U.S. Department of Labor under the Migrant and Seasonal Agricultural Worker Protection Act and is determined to be exempt by the Idaho Department of Labor. (See Idaho Code §72-1320 and §72-1315.)

### **Domestic Employment**

Domestic Employment is work performed in the operation and maintenance of a private home, local college club, or local chapter of a sorority or fraternity, as distinguished from services as an employee in the pursuit of an employer's trade, occupation, profession, enterprise, or vocation. It generally includes domestic services rendered by cooks, waiters, butlers, maids, janitors, laundresses, furnace men, handy-men, gardeners, housekeepers, housemothers, and in-home caregivers.

Domestic employers who pay cash wages of \$1,000 or more in a calendar quarter in the current or preceding calendar year are required to report. If these criteria are met, both cash and noncash wages are reportable. If an employer employs other types of workers, the wages of domestic workers are not automatically covered. (See Idaho Code §72-1315.) (See footnote (1) on page 7.)

### **Governmental Entity / Non-Profit 501(c)(3)**

If you are a governmental entity or nonprofit 501(c)(3) under the Internal Revenue Code, you are automatically a covered employer. (See page 4 under *Experience Rate or Cost Reimbursement*.)

### **Employers Operating Two or More Establishments in Idaho**

When one employing entity operates two or more establishments in Idaho, wages of all establishments must be reported under one account. If each of the establishments is operated by a separate legal employing entity, or has different Federal Employer Identification numbers, an account will be established for each entity. (NOTE: A husband and wife with separate sole proprietorship businesses may have separate account numbers.)

### **General Contractor Liability**

A general contractor can be held liable for Unemployment Insurance tax due on wages paid by a subcontractor if final payment to the subcontractor is made and the subcontractor has not paid Unemployment Insurance taxes. (See Idaho Code §72-1355A.)

## **Business Entity Types**

### **Corporations**

Legal entities separate and distinct from owners and managers. Includes S corporations. Payments to corporate officers for services performed are reportable wages (see page 10 under *Officer Salaries*).

### **Limited Liability Company (LLC)**

An association with separate legal status operated as a business for profit by member owners. Members have limited liability protection from company debts. An LLC will have the same status, for purposes of the Unemployment Security Law, as it elects for federal tax purposes. Currently, the IRS allows LLCs to elect to be treated as a corporation, a partnership or a sole proprietorship. In most cases, if the LLC elects to be treated as either a sole proprietorship or a partnership, any remuneration paid to its members will not be treated as wages for unemployment tax purposes. If it elects to be treated as a corporation, remuneration paid to its members will be treated as wages for SUTA purposes, including corporation officer remuneration (see page 10 under *Officer Salaries*).

The above paragraph applies only to members. Wages paid to all other workers/employees, nonmembers who perform services, will be subject to SUTA.

### **Partnerships**

An unincorporated organization with two or more persons to carry on as co-owners a business for profit. Partners are not employees and, therefore, are exempt from unemployment insurance coverage. All partners can be held personally liable for unpaid tax liabilities.

### **Sole Proprietorship**

An unincorporated business that is owned by one individual. It is the simplest form of business and has no existence apart from the owner. The owner is not an employee and, therefore, is exempt from unemployment insurance coverage and has no personal liability protection from business debts.

## Governmental Entity and Non-Profit 501c3

If you are a governmental entity, you are automatically a covered employer but have options on how the unemployment costs are paid.

If you are recognized as a nonprofit 501c3 under the Internal Revenue Code, you may be a covered employer and required to report wages for Unemployment Insurance purposes. You may have options on how the unemployment costs are paid. Please refer to *Employer Liability Guidelines* on page 4 for a discussion on who must pay unemployment insurance taxes.

See page 4 under *Experience Rate or Cost Reimbursement* for a discussion of the methods used to assign the taxable wage rate.

## Professional Employer Organization

A Professional Employer Organization (PEO) provides employment services acting as joint co-employer with client companies and contractually allocates some traditional employer responsibilities and liabilities and shares others. The employees' payroll may be reported under the client's or PEO's state identification number at the option of the PEO. The PEO usually assumes responsibility and liability for the "business of employment," such as payroll, employee tax compliance, human resources compliance, and benefit plans (i.e. health insurance, retirement savings plans, and other employee benefits). The client manages production, marketing, sales, and service. The workers are usually not fired and rehired by the PEO, since the workers become employees of the two companies, jointly. The PEO and the client are both liable for payroll taxes since they are co-employers.

## Covered Employment

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If an employer directs and controls the services of an individual or has the right to direct and control such services, the individual is an employee. The term covered employment means an individual's entire service, including service in interstate commerce, performed by such workers for wages or under any contract of hire, written or oral, expressed or implied. The following services are considered covered employment. (See Idaho Code §72-1316.)

### Casual Labor/Contract Labor

There are no provisions in the Idaho law exempting part-time, casual/contract labor. All payments made by a covered employer to temporary, part-time, or casual/contract workers, regardless of the amount paid, must be reported (see page 8 under *Independent Contractor*).

### Undocumented Workers/Noncitizens

Services performed by all workers, including undocumented workers and other noncitizens of the United States, must be considered when reporting for Unemployment Insurance tax purposes. Payments made for such workers' services are generally taxable. (See footnote 2 on page 3.)

### Statutory Employees

By law, certain workers are required to be in the employ of or under the direct supervision of a principal who is properly licensed. These workers are statutorily covered for Unemployment Insurance tax purposes. They generally include:

- Cosmetologists and barbers working in a shop licensed by another individual, excluding workers who have a contiguous shop license and are free from direction and control;
- Well drilling rig operators and laborers working for Idaho licensed well drillers;

- Guides working under Idaho licensed outfitters; and
- Unlicensed real estate appraisers working under licensed real estate appraisers. (See Idaho Code §72-1316.)

## **FUTA**

Employers covered by the Federal Unemployment Tax Act are automatically subject to Idaho Unemployment Insurance law. Generally, the provisions are comparable, however, some differences are of significance. Employers are not allowed to take the maximum credit on their federal Form 940 (FUTA) unless they have paid all state taxes by the due date of Form 940. For questions about IRS Form 940, contact the IRS at 1-800-TAX-1040. (See Idaho Code §72-1316 [2].)

## **Exempt Employment**

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Generally, all wages paid for work performed are “covered” for Unemployment Insurance purposes. Any employer claiming exempt wages must report all pertinent facts upon which said claim is based to the Idaho Department of Labor. The person making the claim must sign the report and indicate whether he/she is signing on behalf of the employer as a chief executive officer or manager.

The following services are generally exempt from the definition of covered employment:

### ***Child and Spouse Employment***

These services are exempt for Unemployment Insurance purposes when services are performed for a spouse, performed by a child under age 21 for his/her parent as an individual proprietor, or performed by a parent for a child. The exemptions do not pertain to corporations, LLCs (unless taxed for Federal purposes as a sole proprietor), professional associations, or partnerships. These exemptions only pertain to sole proprietors and LLCs that are taxed as sole proprietors. The term “child” has been defined to include stepchildren and foster children.

### ***Elected Officials, Judicial Officers, and Other Governmental Units***

These services are exempt for Unemployment Insurance purposes when services are performed for governmental units by elected officials, members of a legislative or judicial body, army or air national guard, positions of major nontenured policy making or advisory councils established under state law, city councils, county commissioners, and individuals impressed into the service for civil emergencies. (See Idaho Code §72-1316A(5).)

### ***Students, Hospital Interns, and Correctional Institution Hospital Workers***

These services are exempt for Unemployment Insurance purposes when services are performed for (1) a school, college or university by a student who is enrolled and regularly attending classes at the institution; (2) a hospital by a patient, student nurse, or medical intern of the hospital; (3) a hospital in a state correctional institution by an inmate of the institution; or (4) a correctional, custodial, or penal institution by an inmate of the institution.

### ***Independent Contractor***

For a worker to qualify as an Independent Contractor, exempt from Unemployment Insurance tax, BOTH of the following conditions must be met:

- (1) The worker must be free from the right of direction and control in the performance of the work;
- and

- (2) The worker must be engaged in an independently established trade, occupation, profession, or business. (See Idaho Code §72-1316(4).)

If you have questions on whether a worker is an independent contractor, please contact your local Tax Representative (see page 29) for assistance. Issuing a 1099 or paying on a commission only basis does not qualify someone as an independent contractor.

### ***Newspaper Delivery***

These services are exempt employment when performed by an individual under age 18.

### ***Insurance Agents and Real Estate Agents***

Services performed by an individual as an insurance agent or insurance solicitor or as a real estate salesperson or broker are exempt employment if all such services are performed solely for commission.

### ***Religious, Rehabilitation, Unemployment Work Programs, and Student/Employer Internships***

These services are exempt employment when performed:

- In the employ of (1) a church or convention or association of churches or (2) an organization which is operated primarily for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches; or
- By a minister of a church in the exercise of his/her ministry or by a member of a religious order in the exercise of duties required by such order; or
- In a facility for rehabilitation of individuals whose earning capacity is impaired or providing remunerative work for individuals who, because of their impaired physical or mental capacity, cannot be readily absorbed in the competitive labor market; or
- As part of an unemployment work relief program or work training program assisted or financed by any federal agency or an agency of a state or political subdivision; or
- By an individual under age 22 enrolled as a full-time student at an accredited education institution in a program combining academic instruction with work experience for which credit is earned, except if the service is performed in a program established at the request of employers. (See Idaho Code §72-1316A.)
- By a member of an AmeriCorps program. (See Idaho Code §72-1316A(18).)

### ***Elective Coverage***

Employers may request coverage of employees normally exempt from covered employment by submitting a completed form I71-35, Declaration of Election of Coverage and if applicable, an Idaho Business Registration form. If approved by the Idaho Department of Labor, elective coverage will be effective from the beginning of the quarter in which the request is received and will remain in effect for two years. After this period, the employer or the Department may terminate the elective coverage. The employer may terminate coverage by submitting a written request by January 31. (See Idaho Code §72-1352.)

# Wages

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The term **wages** means all payments for services, including salaries, hourly pay, piecework pay, commissions, bonuses, and the cash value of any payment in any form other than cash. (See Idaho Code §72-1328.)

## **Officer Salaries**

Officers of corporations are considered employees of the corporation. Payments to officers of a corporation or association for services performed, regardless of the form of payment, are reportable wages (including subchapter S and other closely-held corporations). *If fair-market wages were not reported for officers, but profits were distributed or draws taken, the Idaho Department of Labor may reclassify such distributions or a portion thereof as wages.* Failure to comply with appropriate accounting practices for such things as dividends, profit distributions, return of capital, or loans may also lead to the reclassification of payments as wages. (IDAPA 09.01.35.061.02(a)(d)i and(j)).

## **Limited Liability Company Members and Other Workers**

The same tax treatment used for federal purposes is also used to determine coverage for Idaho Unemployment Insurance tax. For example, an LLC that files as a partnership for federal purposes will be treated as a partnership for Idaho Unemployment Insurance tax coverage determinations (see page 6 under *Business Entity Types*).

## **Bonuses**

Bonuses paid to an employee are reportable wages.

## **Commissions**

Commissions are reportable wages unless the services are specifically exempt from coverage such as real estate and insurance agents (see page 9).

## **Spouses Hired Together**

If two individuals are hired together and both are required to provide services, the wages for such services for each must be reported separately for Unemployment Insurance tax purposes.

## **Deductions, Employer Charge Accounts, etc.**

Deductions from an employee's wages, which cover items the worker would have to pay for directly if the deductions were not made, constitute wages paid to the employee at the time of the deduction and are reportable wages.

## **Severance Payments**

Severance or dismissal payments are reportable wages.

## **Sick Pay**

Sick payments, except that resulting from an industrial accident (under Workers' Compensation or related), are reportable wages. (See Idaho code §72-1328.)

## **Retirement Plans and Deferred Compensation**

Retirement payments and deferred compensation are excluded from wages only when paid under a plan approved by IRS Codes 401(a), 403(a), and 501(a).

401K plans and SEP (Simplified Employer Pension) amounts deducted from the employee's wages must be reported for Idaho Unemployment Insurance tax. Amounts paid by the employer (not deducted) are exempt. (See Idaho Code §72-1328.)



## ***Cafeteria Plans***

An employee's salary reduction contribution to an approved IRC 125 cafeteria plan is not subject to the state Unemployment Insurance tax. These amounts should not be reported as part of the employee's gross taxable wages.

## ***Room and Board***

The value of meals and lodging furnished by an employer to his/her employee will not be considered covered wages for Unemployment Insurance tax purposes if it meets the following tests:

- The meals and lodging are furnished at the employer's place of employment;
- The meals and lodging are furnished for the employer's convenience;
- In the case of lodging, the employees must accept the lodging as a condition of employment to allow them to properly perform their duties.

Meals or lodging furnished will be considered for the employer's convenience if the employer has a substantial business reason other than providing additional pay to the worker. A statement that the meals or lodging are not intended as pay is not enough to prove that either meals or lodging are furnished for the employer's convenience.

## ***Tips and Gratuities***

Tips and gratuities received while performing services in covered employment totaling \$20 or more in a month and which should be reported in writing to the employer by the employee as required by the IRS, are reportable wages for Unemployment Insurance tax purposes. (See Idaho Code §72-1328.)

## ***Employee Expenses and Reimbursements***

All monies paid to employees for business expenses incurred while conducting the employer's business are reportable wages unless the following criteria are met:

- The employee must have paid or incurred deductible expenses while performing services for the employer;
- The employee must adequately account to the employer for the expenses;
- The employee must return any excess reimbursement or allowance to the employer; and
- The employer's records must clearly differentiate between business expenses and wages.

In the case of out of town business travel by employees, the employer may reimburse for actual expenses incurred or reimburse on a per diem basis. If the actual expenses are reimbursed, the above four criteria apply. In the case of per diem payments, the following rules apply:

- The expenses were for legitimate job-related travel;
- Reimbursements do not exceed the federal per diem rate for the area of travel; and
- The travel (days, destination, etc.) pertaining to the per diem payments must be verifiable.

## Summary of Covered and Exempt Wages

This table does not represent a complete list. It is included as a quick reference for commonly asked questions. Care must be taken to ensure accurate application of the law to a given wage and employment situation.

Type of Payment	Covered Wages	Exempt Wages
1. Awards and Prizes	X	
2. Bonuses and Commissions	X	
3. Casual/Contract Labor	X	
4. Cafeteria Plans (Section 125)		X
5. Deceased Employee's Wages	X <sup>1</sup>	
6. Dismissal Payments	X	
7. Educational Assistance		X <sup>2</sup>
8. Deferred Compensation Plans		
a. (401K, 403B, 457, SEP)	(Employee Paid) <sup>3</sup>	(Employer Paid) <sup>4</sup>
b. (PERSI)		(Employee and Employer Paid) <sup>9</sup>
9. Group Term Life Insurance Costs		X
10. Jury Duty Pay Paid by Employer	X	
11. Moving Expense Reimbursement		X
12. Pensions/Annuities	X	
13. Sick Pay	X <sup>5</sup>	
14. Business Expense Reimbursement	X <sup>6</sup>	X <sup>7</sup>
15. Vacation Pay	X	
16. Personal Use of Business Vehicle	X	
17. Domestic Employee	X <sup>8</sup>	

(1) Exempt if payment is made after the calendar year of the employee's death.

(2) Exempt if job-related education/training.

(3) Payments made under a salary reduction agreement are taxable.

(4) 401K plans are exempt if under a bona fide Section 125 plan.

(5) After six months of continuous sick leave, payments are exempt. Also, if paid by a third party, the third party is liable unless the third party notified the employer of the amount of sick pay payments.

(6) Amounts in excess of specified government rate for per diem or standard mileage OR not under an accountable plan.

(7) Accountable Plan must be in place.

**Accountable Plan:** To be an accountable plan, your reimbursement or allowance arrangement must require your employees to meet all of the following rules:

1. They must have paid or incurred deductible expenses while performing services as your employees.

2. They must adequately account to you by submitting receipts or other documentation for these expenses within a reasonable period of time.

3. They must return any amounts in excess of expenses within a reasonable period of time.

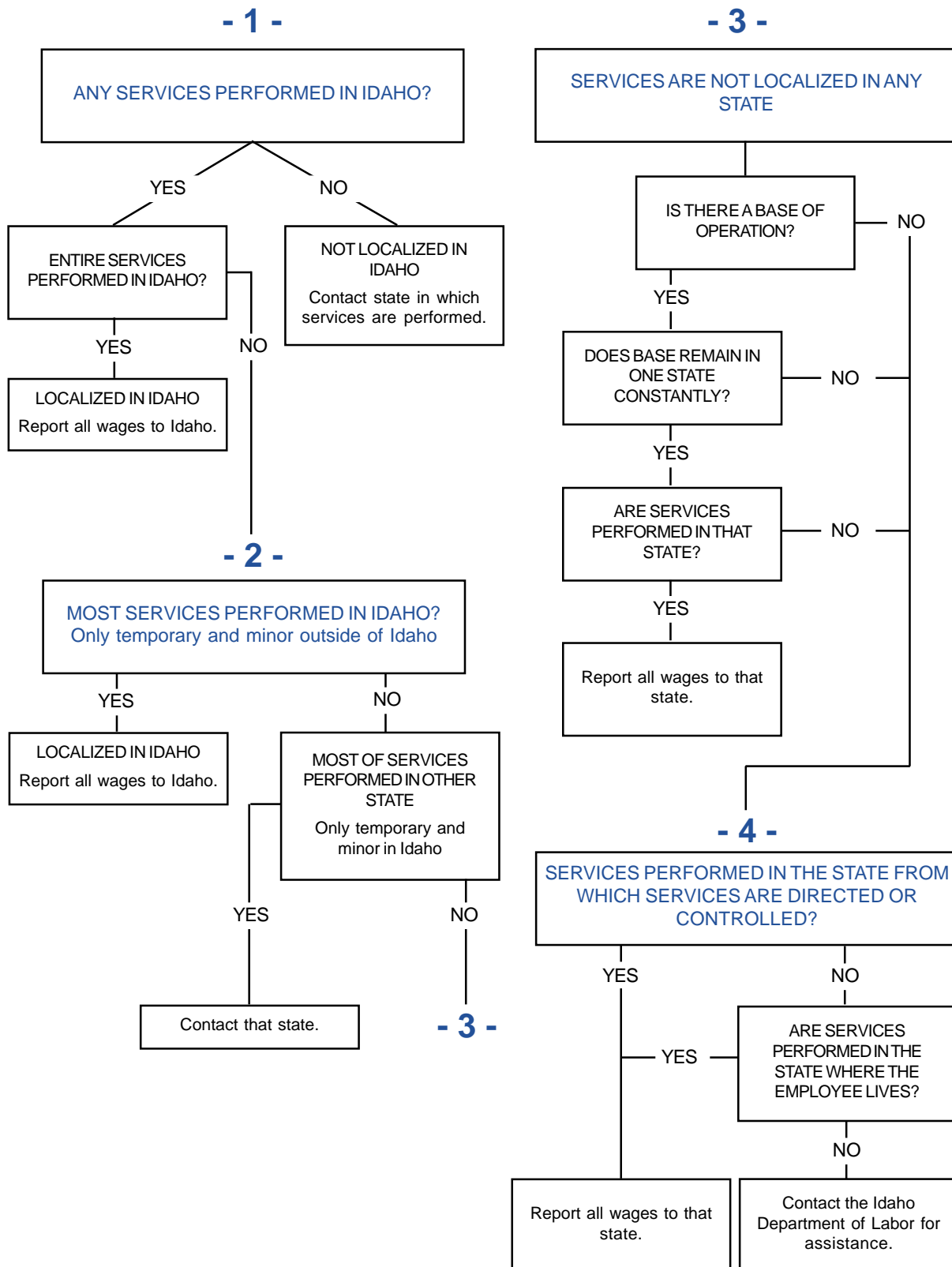
(8) Taxable if employer paid total cash wages of \$1,000 or more (for **all** household employees) in any quarter in the current or preceding calendar year.

(9) IRC 414(h)(2), Idaho Code §59-1306 (Employer Pickup).



# To Which State Are the Wages Reportable?

When employees work in more than one state, to which state are the wages reportable? Please refer to this flowchart and further explanation on the following pages.



## ***Employees Performing Services In More Than One State***

To be considered covered employment under Idaho law, the worker must perform services within this state.

The services are considered localized within Idaho and, thus, reportable to Idaho when:

- The services are performed entirely within Idaho.
- Most of the services are performed in Idaho and individuals work outside the state only at minor or temporary tasks.

Some factors to consider when determining whether the services of the worker are minor or temporary in nature are:

- What the employment relationship existing between the employer and employee is, particularly the intention of the employer in respect to the individual's present and future employment status.
- Whether it is intended by the employer and the employee that those services performed in another state are isolated transactions or a regular part of the employee's work.
- Whether the agreement provides that the employee will return to the original state or if the intention is that the individual will continue to work in other states.
- If this is a temporary assignment of predetermined short duration in which no change of residence is involved. If a temporary assignment extends over a considerable period of time to the point that it becomes more like a permanent assignment, the state the wages are reported to should be re-evaluated. (See Idaho Code §72-1316 [5] [b].)

## ***Services Not Localized in Any State***

If an individual's service is not localized in any state, it is necessary to apply a second test to determine the state to which employment should be reported.

- Does the individual perform some services in the state where he/she has his/her base of operation? The base of operation is the place or fixed center of a more or less permanent nature from which the employee starts work and to which he/she customarily returns in order to receive instructions from his/her employer, or communications from his/her customers or other persons, or to replenish stock and materials, to repair equipment, or to perform any other functions necessary to the exercise of his/her trade or profession at some other point or points.

If he/she performs services in the state where he/she has his/her base of operation, all of his/her employment including that in the other states is reportable to the state in which he/she has his/her base of operations.

- If the individual has no base of operations or if he/she has a base, but does not perform any service in the state in which it is located, or if the base of operations moves from state to state, it is necessary to determine if any of the individual's services are performed in the state from which his/her services are directed or controlled.

The place from which an individual's services are directed or controlled is the place where basic authority resides and where general control comes from, rather than the place where a manager or foreman directly supervises the services. If services are performed in the state where general control is held, the services are reportable to that state.

- If none of the other tests apply, all of the individual's services are reportable to the state in which the individual lives, provided that some of his/her services are performed in that state.

## ***Services Localized in Two or More States***

If an individual performs services in more than one state, and the services in each state are separate contracts of hire, then the services are covered in each state as performed. For example, a worker completes a job in one state and would normally be terminated, but is offered and accepts employment in a different state.

## ***Services Performed Outside of the United States***

Services of a United States citizen performed for an employer outside of the United States must be reported to Idaho for Unemployment Insurance purposes, if such services are not covered by any other state, Canada, or the Virgin Islands and IF THE EMPLOYER'S PRINCIPAL PLACE OF BUSINESS IS IN IDAHO. (See Idaho Code §72-1316.)

If you have any doubt as to which state wages and employment should be reported, please contact a Tax Representative of the Idaho Department of Labor (see page 29) or write to the central office in Boise to obtain an official determination.

# ***Reporting and Paying Unemployment Insurance Tax***

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## ***Employee Records***

Employers are required to keep the following records for each employee:

- Full name, home address, and social security number.
- Place of work within Idaho.
- Date hired, rehired, or returned to work after temporary or partial layoff.
- Date employment ended.
- Detailed information describing the employee's separation from employment (i.e., voluntarily quit or discharged). (See IDAPA Rule 09.01.35.081.)
- Wages paid in each pay period, pay dates, and total wages for all pay periods ending in each quarter of the year, showing separately money wages, the cash value of noncash wages, and the amount of all bonuses or special commissions.
- Any special remuneration paid for services performed such as commissions or bonuses. Payments in cash or cash equivalents should be recorded separately from the cash value of noncash payments and the nature thereof.
- Amounts paid as allowances or reimbursement for traveling and other expenses and the amount of such expenses actually incurred by the employee.

Records must be kept for three full years after the calendar year in which wages are paid and are subject to unemployment insurance audit. (See Idaho Code §72-1337.)

## ***Proper Quarter to Report Wages***

Wages should be reported for the calendar quarter in which the wages were:

- Actually paid to the employee in accordance with the employer's usual and customary payday as established by law or past practice; or
- Due the employee in accordance with the employer's usual and customary payday as established by law or past practice but not actually paid on such date because of circumstances beyond the control of the employer or the employee; or

- Not paid on the usual or customary payday as established by law or past practice but set apart on the employer's books as an amount due and payable or otherwise recognized as a specific and ascertainable amount due and payable to the worker in accordance with an agreement or contract of hire under which services were rendered. (See IDAPA Rule 09.01.35.262.01.)

### ***Draws and Advances on Wages***

Payments to employees made prior to a regular or established payday will be assigned and reported during the quarter in which they would have been paid, unless a practice has been established whereby employees are regularly given an opportunity to take a draw, and as a result of this action another regular payday has been created. (See IDAPA Rule 09.01.35.262.02.)

### ***Taxable Wage Base***

While all covered wages are **reportable** each quarter, there is a limit on the amount of wages that are **taxable**. This limit is called the taxable wage base. Each year, employers receive a notice of the taxable wage base for that year. The taxable wage base is determined by the state's average annual wages in covered employment. An employer is not required to pay tax on wages of more than the annual base amount for any particular employee. These excess wages are reported on line 6 of the **Employer Quarterly Unemployment Insurance Tax Report**, form TAX020 (see instructions beginning on page 18 for completing form TAX020). (See Idaho Code §72-1350.)

### ***When Reports and Taxes are Due***

Reports must be filed and taxes must be paid quarterly by the end of the month following the calendar quarter. (See Idaho Code §72-1349.)

### ***Requests for Extension of Time***

The Idaho Department of Labor may, for good cause shown by a covered employer, grant payment extensions not to exceed 60 days from the date due. Employers must request extensions on or before the due date of the quarter on which the extension is desired. (See Idaho Code §72-1349.)

### ***When Taxes Are Considered Paid***

Taxes are considered paid when the Idaho Department of Labor receives payment in cash, check, or other remittance. Payments made by mail are considered paid on the postmark date of the payment envelope. (See IDAPA Rule 09.01.35.011.10.)

### ***Penalty for Late Payment***

A penalty is assessed when the quarterly tax is not paid by the due date. Penalties accrue separately on each quarterly tax due at the rate of 2% of the tax due or \$10.00, whichever is greater, for each month or fraction of a month delinquent. Late Penalty is added on line 9 of the **Employer Quarterly Unemployment Insurance Tax Report**. (See Idaho Code §72-1354.)

#### **PENALTY EXAMPLES**

Enter the larger of 2% of the tax due or \$10.00, for each month or fraction thereof until paid; in no case shall the penalty exceed the actual amount of tax due.

#### **Example 1**

Tax due = \$15.00                      Date Due = 4/30                      Paid Date = 5/6                      Penalty = \$10.00  
Portion of one month late. \$10.00 is larger than 2%, or 30 cents, but less than tax due. Total penalty equals \$10.00.

### **Example 2**

Tax due = \$15.00                      Date Due = 4/30                      Paid Date = 6/6                      Penalty = \$15.00  
One month plus portion of second month. \$10.00 is larger than 2%, or 30 cents. \$10.00 times 2 months = \$20.00. Penalty may not exceed tax due. Total penalty equals \$15.00.

### **Example 3**

Tax due = \$1,500.00                      Date Due = 4/30                      Paid Date = 5/6                      Penalty = \$30.00  
Portion of one month late. Two percent, or \$30.00, is larger than \$10.00. Total penalty equals \$30.00.

## **Assessments**

If an employer fails to file a tax report when due, the Idaho Department of Labor may, on the basis of available evidence, approximate the wages paid and assess taxes and penalties. (See Idaho Code §72-1358.)

## **Jeopardy Assessments**

If the Idaho Department of Labor determines that the collection of tax or penalty due from a covered employer will be jeopardized by delay, the tax and penalty may be determined and declared immediately payable and tax liens will be filed. (See Idaho Code §72-1359.)

## **Liens**

If a covered employer fails to pay tax or penalties due, the Idaho Department of Labor may file a tax lien, which accrues interest, encumbers all real and personal property, and subjects the property to possible seizure. (See Idaho Code §72-1360.)

## **Criminal Penalty**

Any employer or officer or agent of an employer who knowingly makes a false statement or willfully fails to disclose a material fact regarding tax due or benefits payable is subject to criminal charges. (See Idaho Code §72-1371.)

## **Subpoena**

To ensure compliance with the law, an authorized Idaho Department of Labor representative may issue a subpoena to require the attendance of an individual and the production of business related books and records. (See Idaho Code §72-1338.)

## **Automated Computerized Wage Lists**

Employers are encouraged to submit quarterly employee wage reports via magnetic tape or diskette whenever possible. Information concerning this type of wage reporting is found on page 20. If you have questions, please contact the Accounting Bureau, 317 W. Main Street, Boise, Idaho 83735-0610, phone number (208) 332-3570 Ext. 3150.

## **Claiming Wages in Another State**

Employers may count wages they paid to a worker in another state in arriving at that individual employee's taxable wages for Idaho, but only wages on which tax has been paid to the other state. (See Idaho Code §72-1349[1].)

## **Claiming Wages Paid by your Predecessor**

If a new owner takes over and continues a business and the experience rate is transferred to the new owner, the new owner may count wages paid by the former owner toward the annual taxable wages (see "When an Entity is Acquired by a New Owner" on page 23). (See Idaho Codes §72-1349[1] and §72-1351[4].)

# Instructions for the Employer Quarterly Unemployment Insurance Tax Report

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The **Employer Quarterly Unemployment Insurance Tax Report** is a two-part report, the **Unemployment Insurance Tax Report (TAX020)** and the **Unemployment Insurance Wage Report (TAX026)**. The tax report is for reporting and paying the total wage and tax for the quarter. The wage report is for a detailed wage list of all employees and their wages. The two-part report is mailed to you at the end of each quarter with a pre-addressed envelope and instructions. (See page 26 for examples of quarterly reports.)

Employers may choose to submit the wage report (TAX026) via magnetic media. In this case, the tax report (TAX020) must still be completed and submitted with the magnetic media. The box at the bottom of the tax report should be checked, indicating the wage report is on tape or diskette.

## Instructions for Front of Report (Form TAX020)

- Line 1. Legal Entity Name - CHANGES or CORRECTIONS - It is important that any changes or error corrections concerning your business be included in the space provided next to line 1. Please make certain that the necessary corrections are made to avoid possible penalties that could arise from incorrect information. It is essential to advise the Department of changes so that timely application can be made for transfer of a reduced rate to the new entity. Failure to apply for rate transfer within 90 days of acquisition as prescribed by law, may result in assignment of the standard rate.
- Line 2. Your report and payments must be submitted by this date to avoid late penalty.
- Line 3. Year and quarter that wages were paid.
- Line 4. This is your tax rate. The contribution rate, administrative reserve rate, and workforce development rate are show for your information. Only the contribution rate should be used in reference to state experience rate or state taxes when completing Form 940 or 940EZ for annual FUTA reporting. (See Idaho Code §72-1350[H].)
- Line 5. Enter all wages paid in covered employment this calendar quarter whether in money or in kind. (This total must equal the total of the individual wages listed on the employer's Wage Report line 18.) DO NOT include wages paid to employees who performed services that are exempt under Idaho Employment Security Law (see page 8 under *Exempt Employment*).
- Line 6. Individual annual wages that exceed the amount preprinted in this block are excess wages. Report such excess wages beginning with the quarter in which this amount is reached. Enter the total excess wages for the quarter. If a going business was taken over and continued, wages paid by the former ownership may be counted toward the annual taxable wages paid by the new ownership. (See *Claiming Wages Paid by your Predecessor* on page 17.) You may also, in arriving at the annual taxable wage base for each employee, use wages paid in another state but only on the amount on which tax was paid to that state. (See *Claiming Wages in Another State* on page 17.)

COST REIMBURSEMENT EMPLOYERS (certain nonprofit organizations and governmental units)  
DO NOT COMPLETE THIS LINE.

Calculation of excess wages example, assuming a wage base of \$27,600:

	First Quarter			Second Quarter		
	Total Wages	Excess this Qtr.	Taxable Wages	Total Wages	Excess this Qtr.	Taxable Wages
Jane Smith	\$10,000.00	\$0.00	\$10,000.00	\$10,000.00	\$0.00	\$10,000.00
John Smith	\$7,000.00	\$0.00	\$7,000.00	\$7,000.00	\$0.00	\$7,000.00
Report Totals	\$17,000.00	\$0.00	\$17,000.00	\$17,000.00	\$0.00	\$17,000.00

	Third Quarter			Fourth Quarter		
	Total Wages	Excess this Qtr.	Taxable Wages	Total Wages	Excess this Qtr.	Taxable Wages
Jane Smith	\$10,000.00	<u>*\$2,400.00</u>	\$7,600.00	\$10,000.00	\$10,000.00	\$0.00
John Smith	\$7,000.00	\$0.00	\$7,000.00	\$7,000.00	\$40.00	\$6,600.00
Report Totals	\$17,000.00	\$2,400.00	\$14,600.00	\$17,000.00	\$10,040.00	\$6,600.00

<u>*\$30,000.00</u>	Year-to-date total wages for Jane
<u>-\$27,600.00</u>	Wage base
<u>-\$0.00</u>	Excess taken in prior quarters
<u>\$2,400.00</u>	Excess wages for Jane this quarter

Note: Excess cannot be negative. Enter zero if year-to-date total wages have not yet exceeded the wage base.

Line 7. Taxable wages (line 5 minus line 6).

Line 8. To calculate your tax due, multiply taxable wages (line 7) by the tax rate (line 4).

Line 9. Your report must be postmarked by the date entered in line 2, otherwise, the assessment of a late penalty is mandatory under the law. Late penalty accrues separately on each quarter due (see pages 16-17 of this handbook for an explanation of late penalty and how to calculate it).

Line 10. Total amount due for the quarter (line 8 plus line 9).

Line 11. If there is a balance due or credit from a previous quarter, enter that amount here.

Line 12. Total amount due (line 10 plus or minus line 11). Make checks payable to Idaho Department of Labor. Idaho Code §67-2026 requires that any tax payments of \$100,000 or greater be made by electronic funds transfer. Specific information can be obtained by contacting the Idaho Department of Labor, Accounting Bureau at (208) 332-3570, Ext. 3427.

Line 13. The monthly employment data is a count of all full- and part-time workers who worked during or received pay for the payroll period that includes the 12th of the month. Do not leave months blank. Enter a zero for months in which no employees earned wages.

### **Instructions for Back of Report (Form TAX026)**

Line 14. Enter the worker's social security number. Include employees to whom you have already paid the maximum annual taxable wage during the year. DO NOT include employees who are exempt under the Idaho Employment Security Law (see page 8 under *Exempt Employment*). Do not list negative wages. Adjustments to prior quarters must be made on a separate form.



Line 15. Enter the worker's name.

Line 16. Enter the full amount of covered wages paid to each employee during the quarter.

There is NO LIMIT ON THE AMOUNT OF WAGES TO BE REPORTED for an individual employee. ALL covered wages for each employee must be included on quarterly wage listings. The reported wages are maintained in our wage files and used in the event an employee files a claim for benefits.

Line 17. Enter the total wages for this page.

Line 18. Enter the grand total of all pages of the wage report. Then drop the cents from this total and enter the amount on line 5 of Form TAX020 also.

Employers are urged to submit quarterly wages of their employees on MAGNETIC MEDIA or PERSONAL COMPUTER DISKETTES in place of paper listings. Information regarding this type of reporting will be sent upon request (CHECK BOX ON TAX026).

### ***Instructions for Submission Via Diskette, Magnetic Tape, or Cassette***

When submitting wage information via magnetic media (diskette, magnetic tape, or cassette), use an 80-byte record in ASCII format delimited. The file name should be "Idawage.txt". If you are reporting for multiple companies, the file must be sorted by the 10-digit State Account Number. Place the following information on the magnetic media paper label: 1) Name and Account Number, 2) Quarter and Year, 3) Line 5 Gross Wages (from TAX020 Form), and 4) Contact Person and Phone Number.

Employer Name	1-20	20	left justify
SSN	21-29	9	9 digits no dashes
Control No.	30	1	leave blank
Account No.	31-40	10	10-digit State Account Number
Quarter	41	1	1,2,3, or 4
Year	42-45	4	CCYY
Blank	46-50	5	leave blank
Employee Last Name	51-70	20	
Employee First Name	71-85	15	
Employee Middle Initial	86	1	
Blank	87-90	4	leave blank
Quarterly Wages	91-100	10	dollars and cents; no commas and decimals; zero fill from left

A 1.44 MB diskette will hold approximately 15,000 employees. The record layout can be accomplished with a Microsoft Excel formatted text (space delimited) PRN file, Lotus PRN file, or Dbase TXT file.

Magnetic tape reporters must use 9-track 1/2" tape in ASCII format with density of 1600 or 6250 BPI. Blocking must be a multiple of 80. Cartridges must be 3480s.

Mail the magnetic media, the Employer Quarterly Unemployment Insurance Tax Report (Form TAX020), and your payment to: Cashier, Idaho Department of Labor, 317 W. Main Street, Boise, ID 83735-0610. If you have any questions, please call (208) 332-3570 ext. 3150, or e-mail [bboyd@jobservice.us](mailto:bboyd@jobservice.us), or visit our Internet site at <http://www.jobservice.us>.

### ***Reporting Using the Idaho Department of Labor Personal Computer Program***

If you wish to report your tax and wage information using our PC program, please call (208) 332-3570 ext. 3150 or download the program from our internet site at <http://www.jobservice.us>. (The program is compatible with all Microsoft Windows versions.)



The PC program has the capability of importing wage data from your accounting system. It also can be used to report multiple employers, allowing payroll practitioners to report all of their employers on one diskette.

This program is designed for both large and small employers. It is user-friendly and will complete TAX020 and TAX026 forms for you. Once you have entered your wage data, it calculates excess wages and the amount of payment due. It has archival capability, but allows you to review or print archived years.

## Unemployment Insurance Tax Rates

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### Standard Rate

All new employers except cost-reimbursement employers begin with the same standard Unemployment Insurance tax rate for at least the first six calendar quarters. The standard rate is established by law and can vary depending on economic conditions and the size of the employment security fund (see rate schedule on page 22).

Depending on the employer's experience with the Unemployment Insurance program, this initial standard rate may increase or decrease over time. Changes in the rate depend upon the employer's experience rating and its relationship to the experience ratings of all other Idaho employers.

Rates are computed annually based on fiscal year July 1 through June 30 and are assigned each calendar year with a **Notice of Tax Rate** mailed in December.

### Experience Factors

An employer's reserve ratio is calculated by subtracting the employer's accumulated benefit payments from the employer's accumulated tax payments and then dividing by the employer's average taxable payroll. (Average taxable payroll is the average of up to four fiscal years depending on how long the employer has paid wages.) (See Idaho Code §72-1351.)

$$\frac{\text{Accumulated Total Taxes} - \text{Accumulated Total Benefits}}{\text{Average Taxable Payroll}} = \text{Reserve Ratio}$$

An employer has a positive reserve ratio when its total taxes paid exceed the total unemployment benefits charged to that employer's account. An employer has a negative reserve ratio when benefits charged exceed taxes paid. Each year the Department makes two lists, one for positive rated employers and one for negative rated employers. These lists rank employers by reserve ratio to establish which Unemployment Insurance tax rate will apply to them. Those with the highest positive reserve ratios are assigned the lowest tax rates, while negatively rated employers pay taxes at substantially higher rates. For example, an employer with the best positive rate in schedule II of 0.2% would pay only \$55.20 for each employee who makes at least the \$27,600 wage base. The worst positive rate in schedule II is 1.4%, resulting in a tax of \$386.40 when multiplied by the \$27,600 wage base. The best negative rate is 2.6%, which, when multiplied by the \$27,600 wage base, results in a tax of \$717.60, an additional tax of \$331.20 per employee.

### Eligibility for a Reduced Rate

To be eligible for a tax rate that is lower than the standard rate, an employer must have established a positive reserve ratio, filed all reports, paid all money due prior to September 30, and participated in the system at least six calendar quarters prior to the computation date of June 30. (See Idaho Code §72-1319.)

Note: This chart shows the Experience Rate Schedules. Each year, a specific schedule is in effect for the entire year for all experience-rated employers.

## Schedules of Taxable Wage Rates

Cumulative Taxable Payroll Limits			Sched. I +.020	Sched. II +.015	Sched. III +.010	Sched. IV +.005	Sched. V ACM	Sched. VI -.005	Sched. VII -.010	Sched. VIII -.015	Sched. IX -.020
Rate Class	More Than (% of Total Taxable Payroll)	Equal To or Less Than (% of Total Taxable Payroll)	Taxable Wage Rates for Eligible Employers (%)								
1	—	12	0.1	0.2	0.4	0.8	1.2	1.6	2.0	2.2	2.4
2	12	24	0.2	0.4	0.6	1.0	1.4	1.8	2.2	2.4	2.6
3	24	36	0.4	0.6	0.8	1.2	1.6	2.0	2.4	2.6	2.8
4	36	48	0.6	0.8	1.0	1.4	1.8	2.2	2.6	2.8	3.0
5	48	60	0.8	1.0	1.2	1.6	2.0	2.4	2.8	3.0	3.2
6	60	72	1.0	1.2	1.4	1.8	2.2	2.6	3.0	3.2	3.4
7	72	—	1.2	1.4	1.6	2.0	2.4	2.8	3.2	3.4	3.6
<b>Standard Rates</b>			1.3%	1.5%	1.7%	2.1%	2.5%	2.9%	3.3%	3.5%	3.7%
Cumulative Taxable Payroll Limits			Taxable Wage Rates for Deficit Employers (%)								
Rate Class	More Than (% of Total Taxable Payroll)	Equal To or Less Than (% of Total Taxable Payroll)	Taxable Wage Rates for Deficit Employers (%)								
1	—	30	2.4	2.6	2.8	3.2	3.6	4.0	4.4	4.6	4.8
2	30	50	2.8	3.0	3.2	3.6	4.0	4.4	4.8	5.0	5.2
3	50	65	3.2	3.4	3.6	4.0	4.4	4.8	5.2	5.6	6.0
4	65	80	3.6	3.8	4.0	4.4	4.8	5.2	5.6	6.0	6.4
5	80	95	4.0	4.2	4.4	4.8	5.2	5.6	6.0	6.2	6.4
6	95	—	5.4	5.4	5.4	5.4	5.6	6.0	6.4	6.6	6.8

## ***High Tax Rates Reduced to Standard***

Employers with negative reserve ratios are assigned rates higher than the standard rate. An employer with a higher than standard rate can be allowed to pay tax at the standard rate in the following year if:

- The employer has paid tax for four years at not less than the standard rate for each year; and
- The employer has paid tax in excess of benefits charged for four consecutive years ending on June 30; and
- The employer has, on or before September 30, filed all reports and paid all tax, penalty, and interest due. (See Idaho Code §72-1351 [1] [a].)

## ***Redetermination of Rate***

An employer may request a redetermination within 14 days of the date of mailing of the **Notice of Tax Rate**. The request for redetermination must be in writing to the Idaho Department of Labor. It should contain an explanation of why it is believed the rate assigned is incorrect.

## ***Benefit Charges and Benefit Charge Statements***

Benefit payments, except those attributable to cost-reimbursement employers, are charged to the employer who paid the largest individual amount of base period wages. Note: When a successor employer assumes an experience rating record, the employer also assumes future benefit charges.

At the end of each quarter, chargeable employers receive a **Benefit Charge Statement**, which lists the actual amounts of charges that will be used in future rate computations. Individual claimant benefits will be shown. The form contains instructions and a time limit for any requests for adjustment.

## ***When an Entity is Acquired by a New Owner***

When a new owner buys or succeeds to the business of a covered employer, the experience rating record of the predecessor shall, upon the joint written application of the predecessor and successor, be transferred to the successor. An experience rating record transfer must be requested within 90 days after a change in ownership occurs or no transfer will be allowed. When the predecessor is deficit rated, the experience rate must be transferred to the successor if management or ownership remains substantially the same. (See Idaho Code §72-1351 [4a].) The experience rate record includes the tax rate, current reserves, and account history.

## ***Successor Obligations***

The successor employer becomes obligated to the fund for any unpaid tax, penalties, or interest owed by the predecessor, if it elects to assume the experience rating record. (See Idaho Code §72-1362.)

## ***Chargeability Determination***

When an individual files a claim for benefits, a determination is mailed to the chargeable experience-rated employer. This is the employer's notice that benefits are or are not chargeable to his/her experience record. The claimant's name, social security number, weekly benefit amount, total potential benefits, base period, and benefit year-ending date of the claim are shown on this notice. The period during which the chargeable experience-rated employer may protest the charges is also shown on the notice. (See Idaho Code §72-1351.)

If the claimant voluntarily quits employment without good cause attributable to the employer or was discharged for misconduct in connection with such services, the employer should immediately write to the Idaho Department of Labor protesting the charging of benefits to his/her account. The letter should contain a complete explanation of circumstances surrounding the claimant's termination of employment.

## ***Application for Review***

If the employer fails to protest within the time allowed, the benefit payments will be charged to the employer's account and may eventually result in a higher tax rate.

# ***Controlling Your Unemployment Insurance Tax Rate***

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## ***Maintaining a Low Tax Rate***

Unemployment Insurance taxes are a necessary cost of doing business in Idaho. You can play an active role in controlling these costs by understanding the factors that may increase or decrease this tax liability. These practices may also serve as important management tools for improving employee productivity and morale.

- Implement and communicate clear employee policies and workplace expectations.
- Maintain complete and accurate documentation.
- Protest decisions when you feel they are wrong.
- Provide timely responses to the Department's inquiries for information.

## ***Responding to a Claim for Benefits***

At the time a claim is filed, the Department determines whether a claimant is monetarily eligible for benefits. To determine a claimant's monetary eligibility, the Department applies a formula that is based on the wages received by the claimant in the first four of the last five completed calendar quarters, the base period. Because of this formula, an employer can be charged for benefits up to 15 months after a claimant separates from employment with the employer. Unemployment benefits are charged to the employer who paid the most wages in the claimant's base period, unless the claimant voluntarily quit employment with the employer without good cause attributable to the employer or was discharged for misconduct in connection with the employment. By maintaining complete and accurate documentation of your worker's conduct and reason(s) for separation, you can minimize the benefits charged to your account, which can reduce your tax rate.

Upon separation from employment, an employee files a claim at a Job Service office. The worker completes a separation statement providing personal information and describing the circumstances surrounding the separation. The Job Service office then requests separation information from the employer and allows time for response. The employer's input assists the Department in preventing and detecting improper benefit payments. Based upon the employee's separation statement and the employer's response, the Job Service office makes an eligibility determination denying or granting unemployment benefits. Claimants are only entitled to benefits when they become unemployed through no fault of their own. This includes:

- Being laid off due to lack of work;
- Being discharged for reasons other than misconduct; or
- Quitting for good cause in connection with the employment.

Depending on the outcome of the eligibility determination, either the former employee or the employer may appeal the decision. The appeals process can be time consuming, but if you choose not to participate, the decision will likely be in favor of the claimant, which can be costly.

## **Misconduct**

Idaho's Employment Security Law provides that a claimant will not be eligible for benefits if the employer discharges the claimant for work-related misconduct. The Idaho Supreme Court has defined misconduct as follows:

- A willful, intentional disregard of the employer's interest;
- A deliberate violation of the employer's reasonable rules; or
- A disregard of the standards of behavior which the employer has a right to expect from its employees.

Under the third test, the Department first considers whether the employee's conduct fell below the standard of behavior expected by the employer and then whether the employer's expectation was objectively reasonable in the particular case.

The burden of proving work-related misconduct falls on the employer. Over fifty percent of Idaho claimants who are discharged are ruled eligible for benefits. In a number of cases, this is due to the inability of the employer to produce sufficient evidence of misconduct. In proving misconduct, an employer is well served by maintaining clearly documented and communicated employee policies. An employer may also benefit by keeping records of employee orientations, training, evaluations and disciplinary actions. For example, if an employer proves that a worker was discharged for violating a documented and communicated drug or alcohol policy that complies with Idaho law, the employee will be ineligible for benefits. However, the documentation and communication to employees of that drug testing policy are essential.

## **Quitting for a Good Cause**

To be eligible for benefits, a claimant who voluntarily quits must have had good cause connected with the employment. Idaho law places the burden of proof on the claimant. To be connected with employment, a claimant's reason(s) for leaving must arise from the following:

- The working conditions;
- Job tasks; or
- Employment agreement.

The test for good cause is whether a reasonable person would consider the circumstances resulting in a claimant's unemployment to be real, substantial and compelling. Additionally, the employee must show that, after exploring alternatives to quitting, the employee had no viable option to quitting. Examples include unsafe working conditions, a hostile work environment, or an employer's inability to meet payroll, all in cases where the claimant had no viable option but to quit after attempting to resolve the problem with the employer.

Upon your request, the Idaho Department of Labor will have a representative come to your place of business to assist you in learning ways to control your Unemployment Insurance costs. For assistance, please contact a Tax Representative (see page 29).

# Unemployment Insurance Tax Reports

TAX020  
(Rev. 3/10/00)

## State of Idaho - Department of Labor EMPLOYER QUARTERLY UNEMPLOYMENT INSURANCE TAX REPORT

Cashier-Idaho Department of Labor  
317 W. Main Street  
Boise, Idaho 83735-0610  
Telephone: (208)-332-3576 or (800)-448-2977

STATE ACCOUNT NUMBER:

FEDERAL IDENTIFICATION NUMBER:  
(verify and make necessary corrections)

1. LEGAL IDENTITY NAME AND ADDRESS:

**Show below changes in name,  
mailing address, or ownership:**

Name changed to:

New mailing address:

Ownership changed:

Effective Date:

New owners:

Ceased operations:

Effective Date:

### IMPORTANT: MAKE NO PRIOR QUARTER ADJUSTMENTS ON THIS REPORT.

2. Date quarterly tax report is due:			
3. Year wages were paid:			
Calendar quarter wages were paid:			
contribution rate	administrative reserve rate	workforce development rate	
4. Tax rate:	+	+	= %
5. Total gross wages paid to all employees this quarter. Enter "0" if no employment: (Should be same as your Wage Report total.) (Drop Cents)			00
6. Wages paid to individual workers this quarter in excess of \$ for this calendar year: (See Instructions) (Drop Cents)			00
7. Taxable wages: (line 5 minus line 6) (Drop Cents)			00
8. Tax due: (multiply line 7 by %)			
9. Add enter the larger of : Late % of tax times the number of months (or portion thereof) after due date OR Fee: \$ times the number of months (or portion thereof) after due date			
10. Total due for this quarter: (line 8 plus line 9)			
11. Prior balance-subtract credit and/or add balance due: (Attach supporting documents)			
12. Total amount due: (check box if payment was made by E.F.T.) <input type="checkbox"/> Make checks payable to: Idaho DOL			
13. Number of workers in the pay period that included the 12th of the month. If no employees, enter zero. Do not leave months blank:	1ST MO.	2ND MO.	3RD MO.
***CHECK THE FOLLOWING BOX IF YOU HAVE SUBMITTED THE WAGE REPORT ON TAPE OR DISKETTE RATHER THAN ON THE REVERSE SIDE (FORM TAX026). <input type="checkbox"/>		OFFICE USE ONLY	
I certify that the information on this report is true and correct under criminal penalty provisions of the Idaho Code Section 72-1371		DATE RECEIVED OR POSTMARKED	
Signature		NO. 26	
Phone Number		<input type="checkbox"/>	



**AMENDED UNEMPLOYMENT INSURANCE TAX REPORT**

**Employer Name & Address**

**Employer Account #**

This is to amend the \_\_\_\_ quarter of 20\_\_ unemployment insurance tax report as indicated below:

	As Reported	Net Change-if decrease enclose in brackets	As Corrected
1. Total Gross Wages Paid in Qtr			
2. Wages in excess of \$			
3. Taxable Wages			
4. Tax Due @        %			
5. Total Prior Payments for This Qtr			
6. Credit (if line 5 exceeds line 4)			
7. Additional Tax Due (line 4 minus line 5)			
8. Add late penalty at the greater of 2% of line 7 or \$10 for each month or portion of a month after the due date of the original report.			
9. Total Due			

Reason for adjustment:

**Amended Employee Information (if necessary)**  
**Attach additional pages if needed**

10. Social Security No.	11. Name of Employee	Total Wages Paid	
		12. As Reported	13. Should Be
14. Totals			
15. Difference (+ or -): Column 13 total - Column 12 total			

Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Phone # \_\_\_\_\_



## Tax Representative Information

For more information, please contact your local office Tax Representative listed below. You may also contact the Employer Accounts Bureau in Boise at (208) 332-3576 or 1-800- 448-2977.

Office Location	Address	Phone	Fax
Blackfoot	155 N. Maple PO Box 9 Blackfoot, ID 83221-0009	(208) 785-2200 Ext. 122	(208) 785-5036
Boise	317 W. Main Street Boise, ID 83735-0760	(208) 332-3576 Ext. 3472	(208) 334-5270
Coeur d'Alene	1221 W. Ironwood Drive, Suite 200 Coeur d'Alene, ID 83814-2668	(208) 769-1558 Ext. 346	(208) 666-6784
Emmett	2030 S. Washington Emmett, ID 83617-9450	(208) 364-7780 Ext. 3046	(208) 365-6599
Idaho Falls	150 Shoup Avenue, Suite 13 Idaho Falls, ID 83402-3643	(208) 557-2500 Ext. 3561 (208) 557-2500 Ext. 3565	(208) 525-7268
Lewiston	1158 Idaho Street PO Box 1147 Lewiston, ID 83501-0430	(208) 799-5000 Ext. 3543	(208) 799-5007
Magic Valley	771 N. College Road PO Box 5129 Twin Falls, ID 83303-5129	(208) 735-2500 Ext. 3632 (208) 735-2500 Ext. 3644 (208) 735-2500 Ext. 3651 (208) 735-2500 Ext. 3630	(208) 736-3007
Meridian	205 E. Watertower Lane Meridian, ID 83642-6282	(208) 364-7785 Ext. 3593 (208) 364-7785 Ext. 3613 (208) 364-7785 Ext. 3615 (208) 364-7785 Ext. 3021	(208) 895-8441
Moscow	1350 Troy Road, #1 Moscow, ID 83843-3995	(208) 882-7571	(208) 882-8324
Payette	501 N. 16th PO Box 179 Payette, ID 83661-0179	(208) 642-9361 Ext. 3009 (208) 642-9361 Ext. 3082	(208) 642-7150
Pocatello	430 N. 5th Avenue PO Box 4087 Pocatello, ID 83205-4087	(208) 236-6710 Ext. 3710 (208) 236-6710 Ext. 3711	(208) 236-6085
Rexburg	316 N. 3rd East PO Box 158 Rexburg, ID 83440-0158	(208) 656-0802 (208) 356-4451	(208) 356-0042
Sandpoint	2101 W. Pine Street Sandpoint, ID 83864-9399	(208) 263-7544	(208) 263-0464
Mini-Cassia	127 W. 5th St. North Burley, ID 83318	(208) 678-5518 Ext. 3111	(208) 678-1765
Other information sources:	Idaho Department of Labor Online Reporting Idaho Statutes	<a href="http://www.jobservice.us">www.jobservice.us</a> <a href="http://www.accessidaho.org">www.accessidaho.org</a> <a href="http://www3.state.id.us/idstat">www3.state.id.us/idstat</a>	

# Idaho Labor Laws

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This provides general information concerning the application of the Idaho Minimum Wage Law and the Wage Payment Act. This guide is not to be considered in the same light as official statements of positions as contained in the Idaho Code. This guide is not designed to contain legal advice. If you have detailed questions or face any legal difficulty, you should contact a qualified attorney.

## Minimum Wage

Unless specifically exempt, all employees subject to the provisions of the Idaho Minimum Wage Law must be paid at least \$5.15 per hour effective September 1, 1997.

It is important to note that the Idaho Minimum Wage Law applies to all Idaho employers unless they meet the specific exemptions under Idaho Code section 44-1504.

Even though businesses come under the exemptions for paying minimum wage by meeting the dollar volume test of the Fair Labor Standards Act, they are still subject to the provisions of the Idaho Minimum Wage Law.

New employees under twenty (20) years of age may be paid \$4.25 per hour during their first ninety (90) consecutive calendar days of employment with an employer.

## Tipped Employee

A **tipped employee** means any employee engaged in an occupation in which he/she customarily and regularly receives more than thirty dollars (\$30) a month in tips.

In determining the wage of tipped employees, the amount paid such employee by an employer shall be deemed to be increased on account of tips that are actually received by the employee, but not by an amount in excess of thirty-five percent (35%) of the applicable minimum wage. It shall be the employer's burden to demonstrate the amount of tips actually received by the employee.

Any portion of tips paid to an employee, which is shared with other employees under a tip pooling or similar arrangement, shall not be deemed, for the purpose of this section, to be tips actually received by the employee; therefore, only the portion of tips actually retained by the employee may be counted toward the tip credit.

Idaho Minimum Wage Law is more restrictive than the Federal Minimum Wage Law in that it only allows a maximum tip credit of thirty-five percent (35%) of the Idaho minimum wage. Even though the federal law allows the use of a larger "tip credit", only the maximum shown above may be used in Idaho.

Therefore, the minimum tipped wage in Idaho is \$3.35 per hour effective September 1, 1997.

## Exemptions from the Idaho Minimum Wage Law

Idaho's Minimum Wage Law does not apply to any employee employed in a bona fide executive, administrative, or professional capacity; to anyone engaged in domestic service; to any individual employed as an outside salesperson; to seasonal employees of a nonprofit camping program; or to any child under the age of sixteen (16) years working part-time or at odd jobs not exceeding a total of four (4) hours per day with any one (1) employer; or any individual employed in agriculture if; such employee is the parent, spouse, child or other member of his employer's immediate family; or such employee is older than sixteen (16) years of age and is employed as a harvest laborer and is paid on a piece-rate basis in an operation which has been, and is customarily and generally recognized as having been paid on a piece-rate basis in the region of employment, and commutes daily from his permanent residence to the farm on which he is so employed, and has been employed in agriculture less than thirteen (13) weeks during

the preceding calendar year; or such employee is sixteen (16) years of age or under and is employed as a harvest laborer, is paid on a piece-rate basis in an operation which has been, and is customarily and generally recognized as having been paid on a piece-rate basis in the region of employment, and is employed on the same farm as his parent or person standing in the place of his parent, and is paid at the same piece-rate basis as employees over the age of sixteen (16) years are paid on the same farm; or such employee is principally engaged in the range production of livestock.

It should be noted that the Federal Fair Labor Standards Act does not contain the same exemptions for minimum wage as noted in the Idaho State Exemptions for Minimum Wage: therefore an employer should check with the U.S. Department of Labor before using minimum wage exemptions.

### ***Who is Covered Under the Overtime Provisions and the Federal Minimum Wage***

All employees of certain enterprises having workers engaged in interstate commerce; producing goods for interstate commerce; or handling, selling, or otherwise working on goods or material that have been moved in or produced for such commerce by any person are covered for overtime purposes under the Act. A covered enterprise is the related activities performed through unified operation or common control by any person or persons for a common business purpose and is; engaged in the operation of a hospital, an institution primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises; a school for mentally or physically handicapped or gifted children; a pre-school; an elementary or secondary school; or an institution of higher education (whether public or private or operated for profit or not for profit); or comprised exclusively of one or more retail or service establishments (as defined in the Fair Labor Standards Act) whose annual gross volume of sales made or business done is not less than \$500,000; or an activity of a public agency.

The dollar volume mentioned above excludes excise taxes at the retail level, which are separately stated.

Effective September 1, 1997 the federal minimum wage increased to \$5.15 per hour.

Employees of firms that are not covered enterprises may still be covered for overtime pay and the federal minimum wage if the employee is individually engaged in interstate commerce or in the production of goods for interstate commerce. Such employees include those who: work in communications or transportation; regularly use the mail, telephone, or fax machines for interstate communication, or keep records of interstate transactions; handle, ship or receive goods moving in interstate commerce; regularly cross state lines in the course of their employment or work for independent employers who contract to do clerical, custodial, maintenance, or other work for firms engaged in interstate commerce; or in the production of goods for interstate commerce.

### ***Overtime***

In accordance with the Fair Labor Standards Act, and except as hereinafter otherwise provided, no employer shall employ any employee longer than forty (40) hours in a workweek consisting of seven (7) consecutive twenty-four (24) hour periods unless such employee receives compensation for the employment in excess of forty (40) hours at a rate not less than one and one-half (1-1/2) times the employee's regular rate of pay.

Workweek: A workweek is a period of 168 hours during seven (7) consecutive 24-hour periods. It may begin on any day of the week and any hour of the day established by the employer. For the purpose of overtime payment each workweek stands alone; there can be no averaging of two (2) or more workweeks.

## Computing Overtime for Salaried Employees

Unless specifically exempt under the provisions of the Fair Labor Standards Act, salaried employees must be paid time and one-half for all hours worked in excess of forty hours (40) in a workweek.

## Exemptions from Overtime Pay Provisions Only

Some employees are expressly exempted from the maximum hour provisions of the Federal Fair Labor Standards Act. Certain other small businesses (less than \$500,000 gross annual sales) may be wholly or partially exempt from federal overtime provisions. However, before deviating from the maximum hour and overtime requirements, an employer should consult an attorney.

For information about the Fair Labor Standards Act and the Federal Minimum Wage, contact:

### NORTHERN IDAHO

U.S. Department of Labor  
ESA, Wage and Hour Division  
P.O. Box 1282  
Spokane, WA 99210  
Phone (509) 353-2793

### SOUTHWEST AND EASTERN IDAHO

U.S. Department of Labor  
ESA, Wage and Hour Division  
1150 N. Curtis Road, Suite 200  
Boise, ID 83706  
(208) 321-2987 or (503) 326-3057, (Portland, OR)  
Fax (208) 321-2991

## Child Labor Provisions

Idaho Child Labor Laws are found under Idaho Code sections 44-1301 through 44-1308. Violations of the Idaho Child Labor Laws should be brought to the attention of the probation officer or the school trustees in the county where the violations occur.

For businesses that fall under the coverage of the Federal Fair Labor Standards Act, the Child Labor Laws are generally enforced by the U.S. Department of Labor under the provisions of the Fair Labor Standards Act. The Fair Labor Standards Act Child Labor Laws are designed to protect the educational opportunities of minors and prohibit their employment in jobs and under conditions detrimental to their health or well-being. The provisions include restrictions on hours of work for minors under sixteen (16) and list hazardous occupations orders for both farm and nonfarm jobs declared by the Secretary of Labor as being too dangerous for minors to perform. Further information on prohibited occupations is available from the U.S. Department of Labor offices listed previously.

## Learner/Apprentice Certificates

A special certificate allowing employment at sub-minimum wage may be allowed under certain circumstances. This certificate must be obtained from the Director of the Department of Labor before a sub-minimum wage can be paid. (Contact Wage & Hour at 208-332-3579.)

## Idaho Law Does Not Require:

1. Vacation, holiday, severance, or sick pay;
2. A discharge notice or a reason for discharge;
3. Rest periods, breaks, lunch breaks, holidays off, or vacations;
4. Premium pay rates for weekends or holidays worked;
5. Pay raises or fringe benefits; or
6. A limit on the number of hours an employee can work per day or week for employees sixteen (16) years of age or older.

These items are matters for agreement between the employer and the employee or their authorized representative. If there is any change in a policy that is in effect, the employee must be notified prior to the change, and benefits already earned or accrued cannot be taken away.

## **Record Keeping**

Employee records must be kept for a minimum of three years. The records do not have to be kept in any particular form and time clocks need not be used. These records should include:

1. Personal information, including employee's name, home address, occupation, sex, and birth date (if under 19 years of age);
2. Hour and day when workweek begins;
3. Total hours worked each workday and each workweek;
4. Total daily or weekly straight time earnings;
5. Regular hourly pay rate;
6. Total overtime pay for each workweek;
7. Deductions from wages;
8. Total wages paid each pay period;
9. Date of payment of wages and pay period covered.

Hours worked: Covered employees must be paid for all hours worked in a workweek. In general, "hours worked" includes all time an employee must be on duty, or on the employer's premises, or at any other prescribed place of work. Also included is any additional time that an employee is suffered or permitted to work.

## **Wage Payment Law**

Idaho Code §45-606 through §45-617

1. Upon layoff or termination by either the employer or the employee, all wages due must be paid to the employee the earlier of the next regularly scheduled payday or within ten (10) days of termination, weekends and holidays excluded. If the employee makes a written request for earlier payment of his wages, all wages then due must be paid within forty-eight (48) hours, excluding weekends and holidays. (See Idaho Code §45-606.)
2. Unless exempt from the minimum wage requirements of chapter 15, title 44, Idaho Code, employees who are not being paid on an hourly or salary basis must be paid at least the applicable minimum wage for all hours worked in the pay period immediately preceding layoff or termination from employment. The minimum wage payment shall be made within the same time limitations provided for in Idaho Code §45-606. (See Idaho Code §45-606.)
3. If an employer fails to pay all wages due as required by law, that employer may be subject to penalties in the amount of wages equal to the employee's regular wage rate, as if he rendered service in the manner as last employed, for every day that the employer is in default up to fifteen (15) days, and a maximum of \$750.00. (See Idaho Code §45-607.)
4. Every employer shall pay all wages due to its employees at least once during each calendar month on regular paydays designated in advance. The end of a pay period for which payment is made on a regular pay period shall not be more than fifteen (15) days before such regular payday. (See Idaho Code §45-608.)

5. If the regular payday falls on a non-workday, payment shall be made on the preceding workday. (See Idaho Code §45-608.)
6. No employer shall withhold or divert any portion of an employee's wages unless;
  - a) The employer is required or empowered to do so by state or federal law; or
  - b) The employer has written authorization from the employee for deductions for a lawful purpose. (See Idaho Code §45-609.)
7. Employers shall furnish each employee with a written statement of deductions made from his or her wages for each pay period such deductions are made. (See Idaho Code §45-609.)
8. Every employer shall notify his employees at the time of hire of their rate of pay and regularly scheduled payday. (See Idaho Code §45-610.)
9. Every employer shall notify their employees of any reduction in their rates of pay prior to the work being performed. (See Idaho Code §45-610.)
10. When there is a dispute over the amount of wages due an employee, the employer shall pay the undisputed portion without condition. (See Idaho Code §45-611.)
11. The acceptance by an employee of a check for wages when there is any restrictive endorsement written on the check shall not constitute a release with respect to the disputed amount. (See Idaho Code §45-611.)
12. Claims for wages filed with the Department of Labor are limited to \$4,000 for each employee. (See Idaho Code §45-617.)
13. No employer shall discharge an employee or in any manner retaliate against an employee for asserting their rights under the Wage Payment Act and Minimum Wage Law. (See Idaho Code §45-613.)
14. It is a misdemeanor criminal offense for an employee to make a false claim for wages. (See Idaho Code §45-612.)

Questions regarding discrimination due to race, color, handicap, age, sex, national origin, or religion should be addressed to:

Idaho Human Rights Commission  
1109 W. Main Street, Suite #400  
P.O. Box 83720, Boise, Idaho 83720-0040  
Phone (208) 334-2873 or toll free 888-249-7025

Questions regarding accidents occurring on the job or workers' compensation benefits should be addressed to:

Idaho Industrial Commission  
317 W. Main Street  
Boise, ID 83720  
Phone (208) 334-6000  
or 800-950-2110

Questions regarding unemployment compensation and tax coverage should be addressed to your local Job Service office. Wage claim forms are available at your local Job Service office or the Wage and Hour Section of the Department of Labor in Boise. If you have any questions regarding the wage payment law, call the Idaho Department of Labor or the Job Service office nearest you.

## Wage & Hour Contacts

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<b>BOISE OFFICE</b>	317 W. Main Street Boise, ID 83735-0910	(208) 332-7451 or (208) 332-3570 ext. 5910 Fax (208) 334-6301	1-800-843-3193
Kenneth R. Flatt	Labor Relations Supervisor	(208) 332-3570 ext. 3193	
Daniel Rodriguez	Labor Compliance Officer	(208) 332-3570 ext. 3192	
Janet C. Hardy	Hearing Officer	(208) 332-3570 ext. 3134	
Bobbie Hart	Labor Compliance Officer	(208) 332-3570 ext. 3191	
<b>MINI-CASSIA OFFICE</b>	127 W. Fifth Street North Burley, ID 83318-3457	(208) 678-5518 Fax (208) 334-6430	
Linda Castaneda	Labor Compliance Officer	(208) 678-5518 ext. 3128	
<b>COEUR D'ALENE OFFICE</b>	1221 Ironwood Drive, Suite 200 Coeur d'Alene, ID 83814-2668		
Dawn McLees	Labor Compliance Officer	(208) 769-1558, ext. 326 Fax (208) 666-6783	
<b>POCATELLO OFFICE</b>	430 N. 5th Avenue Pocatello, ID 83205-4087		
Leslie Sorensen	Labor Compliance Officer	(208) 236-6710 Ext. 3690 Fax (208) 236-6085	



# What Can Job Service and IdahoWorks Career Centers Do For My Business?

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## Help You Find Qualified Job Applicants

Having trouble locating qualified workers for your business? Check in with your nearby Job Service office, which features a new, highly efficient, no-cost system for connecting job seekers and employers.

### 1. Saves Time

At the heart of every Job Service office is the *IdahoWorks* computerized job listing service. A simple phone call, fax, or E-mail gets your job listings posted on the Internet where they can be accessed by job seekers throughout Idaho and across the country. The *IdahoWorks* system allows the staff to search the database for applicants with the skills, training, or experience you require. You can receive applications in any manner you designate, whether your company has its own application form, accepts standard resumes, or has other procedures for reviewing job candidates.

### 2. Serves All Types of Employers

Whether you're looking for one employee or one thousand, whether you're a large corporation or a family business, *IdahoWorks* can help streamline your hiring process. The listings include all types of occupations and industries, salary levels, and experience requirements, including professional, managerial, technical, administrative, agricultural, clerical, and retail. Because the database is organized by categories, your listing will be targeted to individuals who are looking for the particular type of work you have available.

### 3. Convenient to Employers

To post a job opening on the *IdahoWorks* system, you need only to contact your nearest Job Service office by phone, fax, or e-mail. A consultant will record the pertinent information, including the required skills and abilities and the manner in which you would like to receive the applications.

At your request, your listing can be posted to the *IdahoWorks* database, listed on the *IdahoWorks* Internet site, and listed with America's Job Bank where it can be accessed by job seekers from across the country. At the America's Job Bank site, registered employers can also search from thousands of resumes on-line to find qualified applicants.

## Provide Labor Market Information

Information is available about wage rates, economic developments, employment levels, and changes in Idaho's industries. Subscriptions to *Idaho Employment*, the Department's monthly newsletter about trends and developments in the state's work force, are available at no cost to you.

This critical labor market information can be produced only through the cooperation of employers in responding to our requests for employment and wage information. The Idaho Department of Labor makes this reporting process as easy as possible, including electronic reporting options. All information is kept confidential unless we receive written permission from you to release specific data elements.

## Provide Recruiting Assistance

Job Service can help you advertise your openings, coordinate the application process and schedule recruitment interviews in facilities at Job Service or at your place of business.

## Provide Layoff Assistance

Job Service provides job placement, retraining opportunities, and other services for employees to help reduce the impact of layoffs on both the company and the community.



### ***Facilitate Employee Training***

Information is available on the “Workforce Development Training Fund” which provides skill training to new employees when companies are expanding and retraining current employees who are at risk of permanent layoff.

### ***Provide Self-Referred Job Listings***

Employers can have their contact information and referral instructions accessible on the *IdahoWorks* computerized job listing, so job seekers can self-screen and contact the employer directly.

### ***Co-host Business Information Fairs***

Job Service co-hosts small business information fairs at which businesses can consult with government agency representatives and employer service organizations.

### ***Provide Assistance for Federal Contractor Job Listings***

Job Service offers assistance in meeting the special government regulations regarding hiring practices to companies who have been awarded federal contracts.

### ***Provide Assistance for Alien Labor Certification***

Companies seeking permission to recruit foreign workers can obtain information and assistance in meeting the criteria and completing the paperwork for certification.

You can have a voice in helping us make the *IdahoWorks* system even more responsive to your needs. Your Job Service Employers’ Committee (JSEC) brings together local employers to address common issues and provide a communication link between employers and your local Job Service office.

We encourage you to use these services that your company pays for through the Federal Unemployment Tax Act (FUTA) tax. Visit the Job Service and *IdahoWorks* Career Center locations listed on page 38 or visit the *IdahoWorks* Internet site: <http://www.idahoworks.org>.

## Job Service Office/IdahoWorks Career Center Locations

Visit your nearest Job Service office at the following address:

Job Service Office	Address	Phone	Fax
Blackfoot	155 N. Maple Blackfoot, ID 83221-0009	(208) 785-2200	(208) 785-5036
Blaine County	513 N. Main, Suite 1 Hailey, ID 83333-8417	(208) 788-3526	(208) 788-3041
Boise	219 W. Main Street Boise, ID 83735-0300	(208) 332-3575	(208) 334-6222
Bonnars Ferry	6541 Main Street Bonnars Ferry, ID 83805-9779	(208) 267-5581	(208) 267-3797
Canyon County	6107 Graye Lane Caldwell, ID 83607-8072	(208) 364-7781	(208) 454-7720
Coeur d'Alene	1221 W. Ironwood Drive, Suite 200 Coeur d'Alene, ID 83814-2668	(208) 769-1558	(208) 769-1574
Emmett	2030 S. Washington Emmett, ID 83617-9450	(208) 364-7780	(208) 365-6599
Grangeville	305 N. State Street Grangeville, ID 83530-0550	(208) 983-0440	(208) 983-0302
Idaho Falls	150 Shoup Avenue, Suite 13 Idaho Falls, ID 83402-3653	(208) 557-2500	(208) 525-7268
Lewiston	1158 Idaho Street Lewiston, ID 83501-1147	(208) 799-5000	(208) 799-5007
Magic Valley	771 N. College Road Twin Falls, ID 83303-5129	(208) 735-2500	(208) 736-3007
McCall	299 S. Third McCall, ID 83638-0966	(208) 634-7102	(208) 634-2965
Meridian	205 E. Watertower Lane Meridian, ID 83642-6282	(208) 364-7785	(208) 895-8441
Mini-Cassia	127 W. Fifth Street North Burley, ID 83318-0158	(208) 678-5518	(208) 678-1765
Moscow	1305 Troy Road, Suite 1 Moscow, ID 83843-3995	(208) 882-7571	(208) 882-8324
Mountain Home	1993 East 8th North Mountain Home, ID 83647-0160	(208) 587-7911	(208) 587-2964
Orofino	410 Johnson Avenue Orofino, ID 83544-0391	(208) 476-5506	(208) 476-3471
Payette	501 N. 16th, Suite 107 Payette, ID 83661-0179	(208) 642-9361	(208) 642-7150
Pocatello	430 N. 5th Avenue Pocatello, ID 83205-4087	(208) 236-6710	(208) 236-6085
Rexburg	316 N. Third East Rexburg, ID 83440-0158	(208) 356-4451	(208) 356-0042
St. Maries	105 N. 8th St. Maries, ID 83861-1845	(208) 245-2518	(208) 245-2012
Salmon	1301 Main Street, Unit 1 Salmon, ID 83467-0990	(208) 756-2234	(208) 756-4672
Sandpoint	2101 W. Pine Street Sandpoint, ID 83864-9399	(208) 263-7544	(208) 265-0193
Silver Valley	35 Wildcat Way, Suite B Kellogg, ID 83837-2392	(208) 783-1202	(208) 783-5561

## Additional Contacts

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In addition to registering with the Idaho Department of Labor for state Unemployment Insurance purposes, employers may also contact:

Who to Contact	Address	Phone	For What?
Internal Revenue Service	550 W. Fort Street Boise, ID 83724	1-800-Tax-1040	Federal Unemployment Tax Federal Withholding Social Security, etc.
State Tax Commission	800 Park Boulevard P.O. Box 36 Boise, ID 83722	1-800-972-7660 (208) 334-7660	State Income Tax Withholding, Income Tax Corporation Tax Sales and Use Tax
Industrial Commission	317 W. Main Street Boise, ID 83702	1-800-950-2110 (208) 334-6000	Administers state workers Compensation Law Industrial Accident Insurance
State Insurance Fund	1215 W. State Street Boise, ID 83702	1-800-334-2370 (208) 334-2370	Workers' Compensation Coverage

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